

COMMISSIONERS

Sandra D. Kennedy

Bob Stump

RECEIVED

Kristin K. Mayes – Chairman

2009 JUL -9 P 4: 26

Gary Pierce Paul Newman

AZ CORP COMMISSION DOCKET CONTROL

Arizona Corporation Commission DOCKETED

0 9 7009

DOCKETED BY

6

1

2

3

4

5

7

BEFORE THE ARIZONA CORPORATION COMMISSION

8	DI THE MATTER OF THE ADDITION OF	DOCKET NO. W 014454 06 0100
	IN THE MATTER OF THE APPLICATION OF ARIZONA WATER COMPANY, FOR AN	DOCKET NO. W-01445A-00-0199
9	EXTENSION OF ITS EXISTING CERTIFICATE OF	
10	CONVENIENCE AND NECESSITY. AT CASA	
10	GRANDE, PINAL COUNTY, ARIZONA	
11	IN THE MATTER OF THE APPLICATION OF PALO	DOCKET NO. SW-03575A-05-0926
**	VERDE UTILITIES COMPANY FOR AN	5 COM 11 11 C. 5 W 05 5 7 5 11 05 0 7 20
12	EXTENSION OF ITS EXISTING CERTIFICATE OF	
	CONVENIENCE AND NECESSITY.	
13	IN THE MATTER OF THE APPLICATION OF	DOCKET NO. W-03576A-05-0926
	SANTA CRUZ WATER COMPANY FOR AN	
14	EXTENSION OF ITS CERTIFICATE OF ITS	
ا ہر	EXISTING CERTIFICATE OF CONVENIENCE AND	
15	NECESSITY.	
16	IN THE MATTER OF THE APPLICATION OF PALO	DOCKET NO. SW-03575A-07-0300
10	VERDE UTILITIES COMPANY FOR AN	
17	EXTENSION OF ITS EXISTING CERTIFICATE OF	
-	CONVENIENCE AND NECESSITY. IN THE MATTER OF THE APPLICATION OF	DOCKET NO. W 025764 07 0200
18	SANTA CRUZ WATER COMPANY FOR AN	DOCKET NO. W-035/6A-07-0300
	EXTENSION OF ITS CERTIFICATE OF ITS	
19	EXISTING CERTIFICATE OF CONVENIENCE AND	
20	NECESSITY.	
20	ARIZONA WATER COMPANY, AN ARIZONA	DOCKET NO. W-01445A-06-0200
21	CORPORATION,	DOCKET NO. SW-20445A-06-0200
~1	COMPLAINANT,	DOCKET NO. W-20446A-06-0200
22	VS.	DOCKET NO. W-03576A-06-0200
		DOCKET NO. SW-03575A-06-0200
23	GLOBAL WATER RESOURCES, LLC, A FOREIGN	
	LIMITED LIABILITY COMPANY; GLOBAL	
24	WATER RESOURCES, INC., A DELAWARE CORPORATION; GLOBAL WATER	
25	CORPORATION; GLOBAL WATER MANAGEMENT, LLC, A FOREIGN LIMITED	
25	LIABILITY COMPANY; SANTA CRUZ WATER	
26	COMPANY, LLC, AN ARIZONA LIMITED	
	LIABILITY CORPORATION; PALO VERDE	
27	UTILITIES COMPANY, LLC, AN ARIZONA	
	LIMITED LIABILITY CORPORATION; GLOBAL	
28	WATER – SANTA CRUZ WATER COMPANY, AN	
- 1	I control of the cont	· · · · · · · · · · · · · · · · · · ·

1	ARIZONA CORPORATION; GLOBAL WATER - PALO VERDE UTILITIES COMPANY, AN		
2	ARIZONA CORPORATION; JOHN AND JANE		
3	DOES 1-20; ABC ENTITITES I-XX, RESPONDENTS.		
4	IN THE MATTER OF THE JOINT APPLICATION OF DOCKET NO. WS-01775A-07-0485		
	CP WATER COMPANY AND FRANCISCO DOCKET NO. SW-03575A-07-0485		
5	GRANDE UTILTIES COMPANY TO TRANSFER DOCKET NO. W-02442A-07-0485 THEIR CERTIFICATES OF CONVENIENCE AND DOCKET NO. W-03576A-07-0485		
6	NECESSITY AND ASSETS TO PALO VERDE		
7	UTILITIES COMPANY AND SANTA CRUZ WATER NOTICE OF FILING COMPANY.		
8			
9	Hearings regarding the above-captioned consolidated dockets were conducted on June 8		
10			
11	and 9, 2009. At the conclusion of the hearing, Arizona Water Company (the "Company") was		
12	directed to late file certain additional information in the form of an affidavit from one of its		
	witnesses, Fredrick Schneider.		
13	Arizona Water Company is today filing the requested affidavit of Fredrick Schneider.		
14			
15	RESPECTFULLY SUBMITTED this 9 th day of July, 2009.		
16	ARIZONA WATER COMPANY		
17			
18			
19	By: Local Deal		
20	Robert W. Geake		
	Vice President and General Counsel ARIZONA WATER COMPANY		
21	Post Office Box 29006		
22	Phoenix, Arizona 85038-9006		
23	and		
24	Steven A. Hirsch		
25	Rodney W. Ott		
26	BRYAN CAVE LLP Two North Central Avenue, Ste. 2200		
27	Phoenix, Arizona 85004-4406		
	 		

```
Original and twenty-one (21) copies of the foregoing filed this 9<sup>th</sup> day of July, 2009 with:
 1
 2
         Docket Control Division
         Arizona Corporation Commission
 3
         1200 West Washington Street
         Phoenix, Arizona 85007
 4
     A copy of the foregoing was hand-delivered this 9<sup>th</sup> day of July, 2009 with:
 5
 6
         Dwight D. Nodes, Esq.
         Assistant Chief Administrative Law Judge
 7
         Hearing Division
         Arizona Corporation Commission
 8
         1200 West Washington Street
         Phoenix, Arizona 85007
 9
         Janice Alward, Esq.
10
         Chief Counsel, Legal Division
11
         Arizona Corporation Commission
         1200 West Washington Street
12
         Phoenix, Arizona 85007
13
        Ernest G. Johnson
        Director, Utilities Division
14
         Arizona Corporation Commission
         1200 West Washington Street
15
        Phoenix, Arizona 85007
16
     A copy of the foregoing was mailed this 9<sup>th</sup> day of July, 2009 with:
17
        Michael W. Patten, Esq.
18
        Timothy J. Sabo, Esq.
19
        ROSHKA, DeWULF & PATTEN
        400 E. Van Buren, Ste. 800
20
        Phoenix, AZ 85004
21
        Philip J. Polich
        GALLUP FINANCIAL, LLC
22
        8501 N. Scottsdale, #125
         Scottsdale, Az 85253
23
24
         Jeffrey W. Crockett, Esq.
        Marcie Montgomery, Esq.
25
        One Arizona Center
        400 East Van Buren
26
        Phoenix, Arizona 85004-2202
27
```

U:\CC&N\CASA GRANDE\GLOBAL\NOTICE OF FILING_6 JULY 2009.DOC RWG:LAR 7/9/2009 9:32 AM

28

	1	
1	Brad Clough	
2	ANDERSON & BARNES 580, LLP ANDERSON & MILLER 694, LLP	
3	8501 N. Scottsdale Road, Suite 260 Scottsdale, Arizona 852536	
4	Craig Emmerson	
5	ANDERSON & VAL VISTA 6, LLC	
6	8501 N. Scottsdale Road, Ste. 260 Scottsdale, Az 85253	
7	Kenneth H. Lowman	
8	KEJE Group, LLC 7854 W. Sahara	
9	Las Vegas, NV 89117	
10	Ken Franks, Esq.	
11	Rose Law Group 6613 N. Scottsdale Road, Suite 200	
12	Scottsdale, AZ 85250-0001	
	Mayor Chuck Walton	
13	City of Casa Grande	
14	510 East Florence Boulevard Casa Grande, AZ 85222	
15	Casa Grande, AZ 63222	
16		
17		
18	By: Rolet Deake	
19		
20		
21		
22		
23		
24		
25		

I previously submitted direct testimony in this matter on January 12, 2009, and rebuttal

4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

26

27

28

1

2

3

testimony on May 8, 2009, as well as testifying at the hearing in this matter on June 8-9, 2009.

- 2. I make this affidavit to respond to certain questions the Administrative Law Judge raised during the hearing concerning the percentages of total acreage and number of property owners in the extension area for which Arizona Water Company has received requests for service.
- 3. Specifically, on June 8, 2009, at Volume I, p. 182 of the transcript, I had the following dialogue with Judge Nodes, commencing at line 7:

ACALJ NODES: Do you have a similar percentage number of current or were you dated –

THE WITNESS: Not off the top of my head. I would have to go through and calculate the areas that we requested versus the areas we are asking for to give you an exact percentage. We would get that number.

ACALJ NODES: And if you could get it both on a percentage of the total acreage as well as the total percentage of the total property – number of property owners.

THE WITNESS: Okay.

ACALJ NODES: Okay. And if you could make that calculation and provide that somewhere in the record.

THE WITNESS: Sure.

Percentage of Acreage

- 4. Arizona Water Company has applied for an extension of its Certificate of Convenience and Necessity ("CCN") covering approximately 56,215 acres (or approximately 88 sections), and has received requests for service covering 15,152 acres, or approximately 27% of the total acreage.
- 5. Almost one third of the total acreage (approximately 17,931 acres) is governmentally-controlled land, including land controlled by the Arizona State Land Department ("ASLD"). The Company received a request for service from ASLD covering

4,480 acres, or approximately 25% of the governmentally-controlled land in the extended CCN area. The remainder of the governmentally-controlled land, for which requests for service have not yet been made, includes land controlled by the Bureau of Land Management, land designated as part of the Sonoran Desert Monument, land controlled by the Bureau of Reclamation, and county-owned land. None of these governmental agencies has objected to the extension of Arizona Water Company's CCN to cover their property.

Percentage of Landowners

- 6. According to Arizona Water Company's most recent information received from the State Department of Revenue and Pinal County, there are approximately 932 landowners in Arizona Water Company's requested CCN extension area. Arizona Water Company has received requests for service from 24 landowners, or approximately 3% of the total number of landowners in the extension area.
- 7. Arizona Water Company notified every single landowner in the amended extension area by both publication and mailing a written notice to each landowner at their most current known address, and not a single landowner objected at the hearing. *See* Certification Of Mailing and Publication docketed December 5, 2008. Thus, the percentage of landowners who have not objected to extension of Arizona Water Company's CCN to cover their property is 100%.
- 8. It is also significant that most of the landowners in the CCN extension area own relatively small parcels. Of the approximately 932 landowners, 619 landowners (or more than 66%) own less than 10 acres.

26 ..

27 | ...

9. On the other hand, of the 10	landowners who own a section (640 acres) or	
more of land, Arizona Water Company has received requests for service from five, or 50%.		
FURTHER AFFIANT SAYETH NOT	Γ.	
DATED this <u>9</u> th day of July, 2009		
·		
	Fredrick K. Schneider	
STATE OF ARIZONA)		
County of Maricopa)		
SUBSCRIBED AND SWORN TO b	efore me by Fredrick K. Schneider, known to	
me personally, this <u>Ith</u> day of July, 2009.		
	Notary Public	
My Commission Expires:		
(100		
LOU A. ROCK NOTARY PUBLIC STATE OF ARIZONA-MARICOPA COUNTY My Commission Expires May 11, 2010		